

**RIO DELL CITY COUNCIL
REGULAR MEETING
DECEMBER 15, 2009
MINUTES**

The Regular Meeting of the Rio Dell City Council was called to order at 6:30 P.M. by Mayor Woodall.

ROLL CALL: Present: Mayor Woodall, Councilmembers Barsanti, Dunker, Marks and Thompson

Others Present: Interim City Manager Stretch, Chief of Police Hill, Finance Director Beauchaine, Acting Director of Public Works Jensen, City Clerk Dunham, and Contract Planner George Williamson

PUBLIC HEARINGS

Mayor Woodall opened the public hearing at 6:33 P.M. and asked for a report from staff.

Finance Director Beauchaine stated a public hearing regarding the design phase of the proposed project was held on December 4, 2009 and no public comment was received. She again explained that there is available funding through the 2009-2010 Community Development Block Grant (CDBG) Planning and Technical Assistance (PTA) General Program Allocation where applicants can request up to \$70,000 for project specific planning activities, and up to \$35,000 for non-profit specific activities. She stated the applications are awarded on a first-come first-served basis.

She explained the City has selected to submit an application for the development of a Master Drainage Plan to analyze and prioritize the City's drainage needs which is the first step in addressing the City's drainage needs and will also allow the City to implement planned development drainage fees for all new development to assist in funding for needed drainage improvements.

There being no public comment, the public hearing closed at 6:35 P.M.

Approve Resolution No. 1067-2009 Approving the 2009/2010 PTA Application for a Master Drainage Plan, the Execution of a Grant Agreement and any amendments thereto from the General Planning and Technical Assistance (PTA) Allocation of the State CDBG Program
Motion was made by Marks/Thompson to approve Resolution No. 1067-2009 *Approving the 2009/2010 PTA Application for a Master Drainage Plan, the Execution of a Grant Agreement and any amendments thereto from the General Planning and Technical Assistance (PTA) Allocation of the State CDBG Program*. Motion carried 5-0.

CONSENT CALENDAR

Interim City Manager Stretch asked that check number 27961 issued to "Results Fit Camp" in the amount of \$1,400 be removed from the Consent Calendar pending further discussion and presentation of a staff report at the January 5, 2010 regular meeting.

Motion was made by Thompson/Marks to approve the consent calendar including the minutes of the November 3, 2009 Regular Meeting; and the check register including the General Check Register for check numbers 27913-27973 (excluding check number 27961) totaling \$67,330.41 (less \$1,400) and the Payroll Check Register for check numbers 15005-15030 totaling \$29,139.07. Motion carried 5-0; Mayor Woodall and Councilmember Barsanti abstained from vote on the November 3, 2009 minutes.

ORDINANCES/SPECIAL RESOLUTIONS

Public Hearing/Approve Resolution No. 1066-2009 Upholding the Planning Commission decision denying the Minor Subdivision Application for Anthony Micheli without prejudice
Mayor Woodall opened the public hearing at 6:36 P.M. and asked for a report from staff.

Planning Consultant George Williamson explained this appeal hearing is the result of action taken by the Planning Commission at its November 18, 2009 meeting to deny without prejudice, a Minor Subdivision application submitted by Anthony Micheli for a two lot subdivision of the recently annexed parcel of 31.64 acres on Blue Slide Road. He stated the parcel zoned Suburban Low (SL), provides a minimum lot size of one acre and allows a planned density of one dwelling unit per acre. Even with constraints due to steep slopes to the south and by a floodplain to the north, the site could still be capable of accommodating 20 new homes clustered with the developable acreage. He noted the two lot Minor Subdivision would be significantly below the planned density and inconsistent with the intent of the SL land use and zoning designation due to the proposed parcels being much larger than planned density, thus resulting in potential financial burden to the City due to the limitation of property tax revenue and the lack of infrastructure improvements. He said another concern was the possibility of segmented development of the area where the two lot split would occur now followed by subsequent divisions denying the City the ability to consider the impacts and benefits of planned residential development and also limiting the City's ability to extend and improve services to this area consistent with other neighborhoods.

Planner Williamson stated that what he was advocating is that the applicant consider a phased subdivision whereas the parcel map is recorded in phases which allows the City to look at the potential development opportunities and resolve the maintenance issue of Blue Slide Road as well as other infrastructure improvements; and at the same time allowing deferment of a portion of the cost of improvements by the applicant.

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Planner Williamson said that although the decision was not made lightly, he was recommending that the City Council uphold the Planning Commission action of November 18, 2009 denying, without prejudice, the proposed minor subdivision.

Discussion continued regarding adequate water supply; public access from Blue Slide; improvements to Blue Slide Road; potential flooding; drainage; increased traffic on Blue Slide; and future development possibilities.

Anthony Micheli addressed the Council and stated that he was opposed to a phased development primarily because of the cost of engineering and because a future developer may want to do something different with the property than what is proposed on the recorded parcel map. He suggested the City impose Conditions of Approval to say that if and when further development is proposed, the developer must provide upgrades to the infrastructure as agreed upon by the City. He said he would be willing to give the City an area needed to improve the roadway to a desired width at this time; however, in the future they would have to come back and purchase the property.

Wally Wright, Surveyor for the applicant stated that it seemed to him that the City acquired a piece of road with the annexation of Blue Slide Road and therefore is the responsible party with regard to maintenance and improvement. He agreed with Mr. Micheli that the City could approve the minor subdivision with conditions that any further development would be subject to improvements as agreed by the City and when those conditions are recorded, they would go with the property and would come up on any future title report. He said as far as the upper parcel, it is not the most desirable land to develop because of the steep slopes. In regard to clustering of homes, he said he didn't see the need for that type of development in Humboldt County. He commented that the City Council seemed concerned about future improvements to Blue Slide Road and commented that the improvements would be done to the satisfaction of the City at the time of a major subdivision. He said as a point of contention, 99% of the vehicles leaving that area would drive toward Rio Dell; not Ferndale so felt there would be little or no impact to traffic on Blue Slide Road. He said it would be a step in the right direction for the City to approve the minor subdivision as proposed.

There being no further public comment, the public hearing closed at 7:05 P.M. and discussion was opened to council comments.

Councilmember Dunker stated that he lived on Tolman Place which is a private street where the property owners own to the middle of the street and are responsible for the maintenance of the road, and asked if this was the same as the situation with Blue Slide Road. He commented that there seemed to be a lot of unknown factors and that the City Council would need to make a decision based on how their decision is going to affect the taxpayers of Rio Dell. He said he needed clarification on what the repercussions could be and said it was his understanding that normally submittal of a development plan showing what is going to happen would be the normal process and the Council is being asked to make a decision without a definite plan. He said that

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this was brought before the Council a recommendation to uphold the Planning commission's decision to deny the minor subdivision without prejudice and asked for clarification that if they did that, would the project go back to the drawing board; George noted that the applicant would have that option. Dunker said it seemed logical to go back to the drawing board and take a careful look at the proposed subdivision before making a decision.

George responded to Councilmember Dunker's concerns and explained the map as it was filed, does show the northerly and southerly parcels as a single new parcel line running down the center of Blue slide road alignment as it exists through the property and therefore, would be exactly the same as Tolman Place if the map were approved. He said he strongly recommended the City accept no responsibility for the alignment of the roadway especially if utilities are in place as it would not be an ideal situation. In regard to affect on taxpayers, he said in his opinion, if the City were to take on responsibility of maintenance of the road, it could be a significant burden on the taxpayers.

He noted the applicant would incur additional costs for environmental documents and major subdivision map but could phase those improvements out. He pointed out that an approved subdivision map would be more valuable to a potential developer.

Councilmember Marks stated that she had attended the November 18, 2009 Planning Commission meeting and spoke to Mr. Micheli about his proposed subdivision and felt it was a good meeting; the Planner went step by step and explained all available options and in the end the Commission voted to deny the minor subdivision application without prejudice based on the information received.

Councilmember Thompson referred to the Painter St. development and suggested a joint study session be held to allow further research and analysis of the that area as well as the surrounding area to see what the City wants for future development and improvements.

Councilmember Barsanti commented that if conditions can be put on a minor subdivision, can a Traffic Impact Report be required; George commented that it would not be required for a minor subdivision and would not recommend one for a major subdivision in that area since a traffic analysis was already done during the annexation process. He indicated a geotechnical analysis would however be required.

Councilmember Barsanti noted there has always been a traffic problem on Belleview Ave. and said he didn't feel two additional homes would have an impact on traffic but was concerned that an additional thirty homes would have a significant impact on traffic and would create a safety issue.

George said he would like to make the distinction that it sounds like the Council would like to have a safety assessment analysis and said they could easily do that if needed. He further stated

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that he appreciated every new home that is built in Rio Dell and did not want to discourage development but wanted to make sure that whatever decision is made, it is in the best interest of the City.

Mayor Woodall commented that it may solve the problem if the City were to simply place conditions of approval on the project as suggested by Mr. Micheli.

George stated he would have a difficult time crafting conditions of approval in an equitable fashion; Mr. Micheli stated the conditions could simply say that any future development must comply with the same requirements as any other major subdivision.

Councilmember Thompson said one option would be to continue the matter to allow for further research on such things as the potential drainage impact to Bellevue Ave.; Interim City Manager Stretch clarified that it is not the burden of the City to produce a drainage plan or any other development plan but rather the burden of the developer to produce such documents.

Mr. Micheli stated that he had experienced no flooding problems with the exception of excess water when the neighbor waters and spills over to his property.

Motion was made by Dunker/Marks to approve Resolution No. 1066-2009 *Making the Required Findings for Certifying Compliance with the California Environmental Quality Act and Upholding the Planning Commission Decision Denying the Minor subdivision Application without Prejudice.* Motion carried 4-1.

Approve Resolution No. 1068-2009 Approving Fiscal Year-end 2008-2009 Budget Amendment
Finance Director Beauchaine explained each year the Finance Department completes a year-end budget entry reconciling all budget line items for each of the City's funds. She said the year-end budget adjustments had been completed for Fiscal year end 2008-2009 and per the City's policy, is requesting authorization to amend the City's Operations Budget in the net amount of \$208,631, with final Citywide expenditures totaling \$2,617,925. She then proceeded with a power point presentation to provide clarity on the budget adjustments.

Interim City Manager Stretch noted that the adjustments were made effective June 30, 2009 and asked if the \$1,092,569.08 represented the Reserve Fund Balance forward; Finance Director Beauchaine noted that it did. He also asked how healthy the General Fund was as compared to previous years; Finance Director Beauchaine stated the General Fund was extremely healthy and that the City had a very stable platform regarding reserve balances.

Motion was made by Marks/Dunker to approve Resolution No. 1068-2009 *Approving the City of Rio Dell 2008-2009 Fiscal Year End Budget Amendment.* Motion carried 5-0.

SPECIAL CALL ITEMS

Select date for Special Meeting of the City Council to receive update and give policy direction as to the selection of Wastewater Disposal and Treatment Facility Plan

Interim City Manager Stretch stated that staff is requesting the City Council set a date for a special meeting for the purpose of providing the City Council an update by staff and the City Engineer on options relative to wastewater disposal and treatment location options, in order to make the necessary policy decisions to move the project forward in an orderly and timely fashion.

January 12, 2010 at 5:00 P.M. was the date selected for the Special Meeting.

Make determination as to whether the expenditure of City funds for an Employee Christmas party has a direct and primary public purpose; or is not allowed by law

Interim City Manager Stretch stated that after preparation and submittal of his staff report, both employee groups came forward and submitted letters stating that they understood the issues with regard to a city sponsored Christmas party and offered to fund the party with Association funds thus relieving the City Council from making a determination as to whether expenditure of funds had a direct and primary public purpose. As a result, he stated this matter is no longer an issue.

Direct City Manager to explore funding options to conduct Initial Feasibility Analysis for a City owned Water Bottling Enterprise/Franchise (Presentation by Councilmember Thompson)

Councilmember Thompson stated that over the past year he had gathered and reviewed approximately 63 documents from the County regarding the City's water system which revealed that the City owns easement rights and water that is under the control of the City at various areas in the City including the Monument Springs and said he would like to further explore funding possibilities for a City owner water bottling enterprise/franchise for the purpose of generating revenue for the City. He noted that George Williamson offered to make a presentation at the next regular meeting on the Food Collaborative Business Plan as part of the \$30,000 Headwaters Grant the City received and asked if a water bottling business would be an allowable use of the funds; George explained the objective of the food collaborative plan is to look at commodities and get them into marketable condition to be sold stating there were no legal limitations to prohibit it.

Councilmember Thompson further stated that in putting together some calculations, in his opinion, \$16,000,000 could potentially be generated in net profits with a successful water bottling enterprise.

Councilmember Marks commented that the recommended action is to direct the City Manager to explore whether grant funds or other funds are available to conduct an initial feasibility analysis for a city owned water bottling enterprise/franchise and expressed concern as to whether the City Manager and staff had the time available to devote to the request at this time. Interim City

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Manager Stretch commented that he believed he would be able to make time but if it were to become a burden, he would inform the Council.

Councilmember Dunker stated that irregardless of the issues that would need to be considered with regard to a city owned bottling enterprise, he felt it is not the appropriate time due to the limited time left for the Interim City Manager and the various projects he has been tasked with including recruitment of a new City Manager.

Mayor Woodall said her only thought was that the Council should set priorities for projects before making a decision to devote time to this project.

Councilmember Marks asked Councilmember Thompson if he would be willing to put the idea on hold for the time being; he indicated that he would be willing but said it seemed that when things are put off, they tend to fall between the cracks and are forgotten.

Bud Leonard, 300 Woodland Dr. commented that as a tax payer, he objected to the City competing with private business and said he was very familiar with "surface water" and said that water from fire hydrants was probably better. He felt it would be a waste of tax payers money to pursue this idea and felt the Interim City Manager had more important things to do.

Consensus of the Council was that the idea be discussed during the "Goal Setting" City Council study session.

PUBLIC PRESENTATIONS

None

REPORTS/STAFF COMMUNICATIONS

Interim City Manager Stretch reported on recent meeting and activities and announced that the City received notification that the City's application for funding under the General Allocation of the State CDBG Grant Program for paving of Rigby Ave. was not approved because the application did not score high enough in points. He said the Finance Director spoke with representatives of the State and they said they would get a copy of the score sheet to the city so that we could do better next round. He said it was a disappointment but not a shock since it was a competitive grant. He also reported that he had a meeting with Councilmembers Dunker and Thompson on November 30th to discuss the placement of the motto "In God We Trust" in Council Chambers and said that although a beautiful burl slab was donated by the Dunham's it was not really the right shape for display of the "In God We Trust" motto along with the City Seal. That discussion gravitated to the question of whether the City actually had an official City Seal which he noted staff will need to research. He said he planned to come back to the Council with a recommendation to adopt an official city seal or motto for use on City stationery as well.

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He then reported on the status of the City Manager recruitment process stating that an ad was placed in Jobs Available, Times Standard and League of California Cities website and said the application deadline was set for January 17th. He also reported the actuarial for the enrollment in PERS was moving forward and that he received some documents from them with a cost figure of \$1,400 for them to prepare the analysis. He said HCD thanked the City for submittal of the Draft Housing Element Update along with comments which would need to be addressed; and reported on the meeting held with the Parks & Recreation Commission on possible allocation of the remaining \$110,000 in Park Bond money stating at the end of the meeting the group felt the money could be used most effectively on new playground equipment at Fireman's Park rather than just on restrooms at the Park.

Acting Director of Public Works Jensen reported on recent activities in the public works department stating that construction began on the Solids and Disinfection Management Project today; they completed installation of the gates and security system at the Wastewater Treatment Plant; working on completion of the small punch list associated with the Safe Routes to School Project; and was busy with annual water reports to the State.

Chief of Police Hill reported on recent activities in the police department and began with a status report on Code Enforcement/Nuisance Abatement activity; said he opened the recruitment process for the COPS funded position with the deadline for application scheduled for December 31st followed by testing on January 9th; and reported that he had one officer out with an injury so he would be working some night shifts.

Finance Director Beauchaine reported on recent activities in the finance department and said she attended an Accufund User Group conference and received information on the release of some new modules which she may potentially be purchasing; was wrapping up the last of the outstanding audit items with expectations to have the auditors here on January 19th to submit their audit report; had a Brownfield's kick-off meeting to discuss various aspects of the project; attended the Parks and Recreation meeting with the City Manager and concurred with his report; had prepared the application for the FY 2009-2010 CDBG PTA Grant for a Master Drainage Plan; and announced that she received notification of approval of the Bridge financing for the Wastewater Project.

COUNCIL REPORTS/COMMUNICATIONS

Councilmember Dunker commented that during his attendance at the last Regional Water Board meeting, he was able to take pictures of their microphone system and said he would be glad to share those pictures with Council and staff if the decision was made to pursue a new public address system.

Councilmember Thompson reviewed the action taken at the last Redwood Coast Energy Commission meeting (RCEA) and said of the 14 meetings scheduled over the past year, he

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missed 4 of those. He also said that in researching city records it appears that the City Council does not have a mission statement nor does the City have an official city seal.

Mayor Woodall announced she would be attending a Humboldt Transit Authority (HTA) and HCAOG meeting this week.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 8:59 P.M. to the January 5, 2010 Regular Meeting.

Julie Woodall, Mayor

Attest:

Karen Dunham, City Clerk